



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Memorial Compounding RX

Respondent Name

Ace American Insurance Co

MFDR Tracking Number

M4-18-1277-01

Carrier's Austin Representative

Box Number 15

MFDR Date Received

December 27, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "...Memorial Compounding Pharmacy has met the requirements to receive reimbursement."

Amount in Dispute: \$479.89

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The bill was originally denied with an improper code. The EOR has been amended to the correct code of "denied based upon peer review". The bill was sent to the UR department for retrospective review and was deemed not medically necessary. The provider did not appeal."

Response Submitted by: ESIS, P.O. Box 6563, Scranton, PA 18505-6563

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: June 17, 2017, Meloxicam, \$479.89, \$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

- 1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.502 sets out billing guidelines for compound medications.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
• 18 – Duplicate claim service
• 62 – No proof of pre-auth
• Services denied at the time authorization/precertification was requested

**Issues**

1. Did Ace American Insurance Co raise a new defense pursuant to 28 Texas Administrative Code §133.307?
2. Did Memorial Compounding Pharmacy submit the medical bill per Division Rules?

**Findings**

1. In its position statement, ESIS argued on behalf of Ace American Insurance Co, “The bill was sent to the UR department for retrospective review and was deemed not medically necessary.”

28 Texas Administrative Code §133.307(d)(2)(F) states, in relevant part, “The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review.”

Review of the submitted documentation finds that Ace American Insurance Co failed to present a medical necessity denial to Memorial Compounding Pharmacy in accordance with 28 Texas Administrative Code §133.240 prior to the date the request for medical fee dispute resolution (MFDR) was filed. The division concludes that this defense presented in ESIS’s position statement shall not be considered for review because this assertion constitutes a new defense pursuant to 28 Texas Administrative Code §133.307(d)(2)(F).

2. Memorial Compounding Pharmacy is seeking reimbursement for a compound dispensed on June 17, 2017 with the following ingredients:

- Meloxicam 1005, NDC 38779-2376-01, \$479.89

The division finds that NDC 38779237601 is not a valid National Drug Code (NDC) as required by 28 Texas Administrative Code §134.502(d)(1). Therefore, this ingredient will not be considered for reimbursement.

**Conclusion**

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

***ORDER***

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

**Authorized Signature**

Signature	Medical Fee Dispute Resolution Officer	February 1, 2018 Date
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### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**